

HB 1298-FN - AS INTRODUCED

2022 SESSION

22-2342

10/08

HOUSE BILL ***1298-FN***

AN ACT relative to eligibility for the education tax credit.

SPONSORS: Rep. Cordelli, Carr. 4; Rep. Hill, Merr. 3; Rep. Moffett, Merr. 9; Rep. McGuire, Merr. 29; Rep. Piemonte, Rock. 4; Rep. A. Lekas, Hills. 37; Rep. Hobson, Rock. 35; Rep. Osborne, Rock. 4

COMMITTEE: Education

ANALYSIS

This bill increases the household income level to qualify as an eligible student under the education tax credit program.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Two

AN ACT relative to eligibility for the education tax credit.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Education Tax Credit; Definition of Eligible Student; Household Income. Amend RSA 77-G:1,
2 VIII(b) to read as follows:

3 (b) Whose annual household income is less than or equal to [~~300~~] **500** percent of the
4 federal poverty guidelines as updated annually in the Federal Register by the United States
5 Department of Health and Human Services under the authority of 42 U.S.C. section 9902(2). The
6 scholarship organization shall verify eligibility under this subparagraph.

7 2 Effective Date. This act shall take effect upon its passage.

**HB 1298-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to eligibility for the education tax credit.

FISCAL IMPACT: State County Local None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	Indeterminable	Indeterminable	Indeterminable
Expenditures	\$0	\$0	\$0	\$0
Funding Source:	<input checked="" type="checkbox"/> General	<input checked="" type="checkbox"/> Education	<input type="checkbox"/> Highway	<input type="checkbox"/> Other

METHODOLOGY:

This bill amends the Education Tax Credit (RSA 77-G) by changing eligibility for total household income from 300 percent of the federal poverty guidelines to 500 percent of the federal poverty guidelines. Increasing the total household income will increase the number of students qualified to receive an Education Tax Credit scholarship. The Department of Revenue Administration states the impact on state revenue is a function of both the number and amount of donations made to the Education Tax Credit program and the number of scholarships issued with those donations. Therefore, it is assumed for there to be an impact on business profits tax revenue, business enterprise tax revenue and/or interest and dividends revenue there would need to be an increase in donations to the Education Tax Credit program. The Department is not able to determine if donations will increase or estimate the impact on revenue as result of the changes contained in this bill.

AGENCIES CONTACTED:

Department of Revenue Administration